

REDACTED – FOR PUBLIC INSPECTION

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
NTELOS Petition for Modification of Eligible)	
Telecommunications Carrier Service Area)	
)	

To: The Commission

**SUPPLEMENT TO PETITION FOR MODIFICATION
OF ELIGIBLE TELECOMMUNICATIONS CARRIER SERVICE AREA**

Virginia PCS Alliance, LC, and Richmond 20 MHz LLC dba NTELOS (Collectively, NTELOS), by and through undersigned counsel, submits this Supplement to its Petition for Modification of Eligible Telecommunications Carrier Service Area (“Petition”) filed with the Commission on October 1, 2015.¹

In the Petition, NTELOS asks the Commission to modify its eligible telecommunications carrier (ETC) service area (“Service Area”) to exclude from this area the eastern portion of Virginia where NTELOS no longer provides service, and no longer holds a spectrum license to provide service, following its transaction with T-Mobile USA, Inc. in 2015.² By this Supplement, NTELOS outlines a proposed methodology to effectively reduce its frozen

¹ NTELOS Petition for Modification of Eligible Telecommunications Carrier Service Area, WC Docket No. 09-197, WC Docket No. 10-90 (filed Oct. 1, 2015) (Petition).

² *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility*, Public Notice, Report No. 10276 (Feb. 11, 2015).

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Universal Service High Cost (“Frozen High Cost”) support by the amount attributable to the geographic area where NTELOS no longer provides service.

Pursuant to section 54.207(a), an ETC may only receive support for those areas where it provisions service in accordance with the Commission’s Universal Service rules.³ Because its service territory has been reduced (following the close of the T-Mobile transaction), NTELOS proposes to reduce its Frozen High Cost support proportionally based on a comparison of the area of the territory no longer served with the total area of the NTELOS Virginia study area.⁴

When measured by square mileage (and accounting for wire center boundaries), NTELOS no longer serves a geographic area of [REDACTED] square miles, and the total size of the NTELOS Virginia study area is [REDACTED] square miles.⁵ Therefore, the territory no longer served by NTELOS accounts for roughly [REDACTED] of the total NTELOS Virginia study area. NTELOS receives [REDACTED] worth of Frozen High Cost support on a monthly basis pursuant to its provision of support in its Virginia study area. Since NTELOS no longer provisions service to [REDACTED] of the territory in its Virginia study area (SAC 199008), NTELOS proposes to reduce its monthly Frozen High Cost support for the study area by [REDACTED] or [REDACTED]. Subsequent to this reduction, NTELOS would receive [REDACTED] worth of Frozen High Cost support for its Virginia study area on a monthly basis. Since NTELOS is no longer serving the territory associated with the proposed reduction in support, NTELOS proposes a flash cut of the associated Frozen High Cost support.

Prior to filing this supplement NTELOS considered additional mechanisms to reduce Universal Service support for the territory no longer served, and concluded that the use of geographic areas was the best measure to quantify the amount of Frozen High Cost support that

³ 47 C.F.R. § 54.207(a).

⁴ NTELOS proposes to utilize wire center boundaries to determine the size of each territory in square miles.

⁵ NTELOS’ Virginia study area code (SAC) is 199008.

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should be reduced to reflect the smaller service territory. For example, NTELOS deliberated whether to propose reducing Universal Service support proportionally based on the amount of Frozen High Cost support NTELOS received that was attributable to the region NTELOS no longer serves. Prior to the High Cost Program support being frozen, NTELOS received Interstate Access (“IAS”) support for SAC 199008. Because many of the Unbundled Network Element (“UNE”) rate zones in the eastern portion of SAC 199008 were either not assigned IAS support, or such support was lower than the more rural portions of SAC 199008 still served by NTELOS, the Universal Service support attributable to the region no longer served by NTELOS was minimal compared to the total support amount. Consequently, NTELOS believes its proposal to reduce Frozen High Cost support represents a fair and equitable solution.⁶ NTELOS respectfully requests that the Commission approve this proposal.

By this Supplement, in addition to the proposal outlined above, NTELOS updates the counsel of record in this proceeding to the undersigned. The Commission recently approved the acquisition of NTELOS by Shenandoah Personal Communications, LLC (Shentel).⁷ As the transaction has recently closed, NTELOS is now a subsidiary of Shentel and is represented by Shentel’s counsel, the undersigned. Therefore, NTELOS updates the record to reflect representation by the undersigned, and accordingly requests all communications be forwarded to the undersigned.

⁶ NTELOS recognizes that “universal service support...is a finite resource paid for by consumer and businesses across the country [and] should not be used to support unreasonable or excessive costs.” See *In the Matter of Adak Eagle Enterprises, LLC and Windy City Cellular, LLC et al.*, WC Docket No. 10-90, WT Docket No. 10-208, Order, 28 FCC Rcd 10194, 20201, para 22 (WCB/WTB 2013). *In the Matter of Connect America Fund, Sandwich Isles Communications, Inc. et al.*, WC Docket No. 10-90, Order, 28 FCC Rcd 6553, 6558, para. 12 (WCB 2013). Therefore, NTELOS spent considerable time in crafting a fair and equitable proposal that accurately reflected the costs of providing service in the territory no longer served.

⁷ *SprintCom, Inc., Shenandoah Personal Communications, LLC, and NTELOS Holdings Corp. et al.*, Memorandum Opinion and Order, WT Docket No. 15-262, 31 FCC Rcd 3631 (WTB/IB Apr. 15, 2016).

Respectfully submitted,

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